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DIA,, OSD, DOS review(s) completed.

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GENERAL

| 1. | Soviet military activity in Bulgaria US Delegation ACC Bulgaria con- |
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| | firms earlier reports that Soviet authorities have closed Bulgaria's |
| | southern frontier (see Daily Summary of 19 July, item 3) and that a |
| | 25-kilometer security zone has been established along the Yugoslavian |
| | frontier, probably to prevent the flight of Bulgarians to Greece and to |
| 1F | conceal military activity. The Delegation comments that present evi- |
| | dence indicates that "large-scale special operations" are planned for |
| | the immediate future. |
| | has informed the Delega- |

has informed the Delegation that since 15 September Soviet tanks and artillery have been entering northeastern Bulgaria from Rumania at the rate of two trainloads per day.

- 2. 700 Soviet wounded evacuated down Danube--US Delegation ACC Rumania transmits as "probably true" a report that on 14 September a barge carried 700 wounded Soviet troops down the Danube past Giurgiu (south of Bucharest). Conflicting rumors attribute the casualties to (a) conflicts between Bulgarian Monarchists and Soviet-supported Bulgarian Communists, and (b) fighting along the Bulgarian-Yugoslav frontier.
- 3. Czecho-Rumanian deal for US surplus property--US Ambassador Stein-hardt has received from the Czech Foreign Office a copy of a Czecho-Rumanian agreement whereby Czechoslovakia agreed to purchase up to \$10,000,000 worth of surplus US property for Rumania. (The agreement was to come into force after approval by the US but was delivered to Steinhardt prior to Secretary Byrnes' request that further sale of surplus property to Czechoslovakia be suspended; see Daily Summary of 18 September, item 1.)
- 4. Gromyko hints Greek affair could be dropped—Gromyko has told Herschel Johnson 'in a frank discussion' that the USSR would veto the US and Australian proposals for a fact-finding committee on the Greek border but would regard a "straightforward motion to drop the Ukrainian complaint" as a procedural matter (which technically would not be subject to veto).

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- 5. Byrnes urged to oppose UK control of Italian cable --Clayton has advised Secretary Byrnes that he concurs in the recommendation of Secretaries Patterson and Forrestal that Byrnes inform Bevin of US opposition to the maintenance of the British-controlled relay point for Italian cables at Gibraltar (see Daily Summary of 13 September, item 6). US officials believe that the British are motivated by commercial rather than security considerations.
- 6. Effect of US note on Swedish-Soviet trade negotiations—The Swedish Minister in London has told Harriman of his belief that the US note objecting to the proposed Swedish-Soviet trade agreement (see Daily Summary of 24 August, item 4) "weakened the hand" of Sweden in its negotiations with the USSR. The Minister added that Sweden "fully agreed" with the principle of multilateral trade, but was forced to conclude the agreement by "disrupted economic conditions" as well as "political problems with the Soviet Union."
- 7. Location of UN headquarters in question—In view of Herschel John—son's report that a number of UN delegations, including the Soviet, now doubt the desirability of having the permanent UN headquarters in the US, the State Department has instructed US missions in UN countries to ascertain discreetly the attitude which those countries may take on this question in the forthcoming General Assembly.
- 8. French may support Poles on western frontier issue—US Ambassador Lane reports that his French colleague has left for Paris, presumably to ask for French Foreign Office public approval of the Polish position concerning Poland's western frontier. Lane and his British colleague agree that Bidault be urged not to make such a statement at this time.
- 9. Japanese reparations conference—Secretary Byrnes has instructed the State Department to refrain, until further notice, from making oral representations to the Soviet representative on the FEC about the Soviet proposals regarding a Japanese reparations conference (see Daily Summary of 17 September, item 5).

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EUROPE

10. YUGOSLAVIA: Government details charges against US Embassy—In reply to Ambassador Patterson's request for information on the alleged terrorist plot involving US Embassy personnel (see Daily Summary for 6 September, item 7), the Yugoslav Government has submitted a document charging 12 US Embassy members by name with organizing a spy network, assisting anti-Government terrorists, and helping to smuggle persons out of the country.

Patterson states that he knows no ground for charges of complicity in anti-Government plots or smuggling of persons but comments that Embassy personnel probably had "informational" contacts with most of the Yugoslavs accused of complicity in the plot. With the possible exception of one former employee, all personnel were seeking the type of information normally reported by a foreign embassy. Patterson is concerned for the safety of the Americans named, and comments that the charges show the extreme danger to Embassy personnel in seeking information outside official channels.

NEAR EAST-AFRICA

11. TURKEY: Maneuvers to be held on northeast border--US Military
Attache Ankara has been told by Turkish G-2 that the Turkish General
Staff has decided to hold large-scale maneuvers near Turkey's northeast border. The MA comments that the decision is a result of increased tension in the Turkish General Staff, which has received reports of increased Soviet night activities along the frontier.